Discontinuation of Procurement of Food grains

810. DR. MANMOHAN SINGH: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government have decided to discontinue the present system of procurement of foodgrains;

(b) whether Government have assessed its impact on the States like Punjab, Haryana and Andhra Pradesh; and

(c) if so, the remedial steps to protect interests of the farmers in these States?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) No, Sir. No conceret proposal in this regard is under consideration of the Government. However, alternative methods of providing income support to the farmers are being examined so that the farmers get the MSP for their crops.

(b) and (c) Does not arise in view of reply to (a) above.

Procurement Facility at MSP

811. SHRI C.O. POULOSE: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the FCI extened 100% procurement facilities at MSP to Punjab and Haryana;

(b) if so, the criteria adopted in procurement of foodgrains by FCI; and

(c) the reasons for not extending this facility to the other States as well?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) to (c) In Punjab and Haryana, most of the procurement is done by the State Governments and their agencies.

Details of procurement made in two States during the 2001-2002 Marketing Seasons are given below:—

(in per cent)

State	Commodity	Procured		Total
	FCI	State Govt. Agencies		
Punjab	Wheat	32.03	67.97	100
	Paddy	25.27	74.73	100
Haryana	Wheat	12.98	87.02	100
	Paddy	12.30	87.70	100

The procurement is also made in many other States. FCI, along with the State Governments and their agencies, undertakes procuremet of foodgrains conforming to fair Average Quality Specifications at Minimum Support Prices (MSP) for the Central pool. All the food grains conforming to presecribed specifications offered for sale at specified centers are brought by FCI and State agencies. FCI also collects rice by way of statutory levy on rice millers/dealers. The procurement level in a State depends, *inter alia*, upon the capacity of the State Government and its agencies and the infrastructure available.

In order to ensure, *inter alia*, that the benefit of MSP reaches the farmers, the Government had, in 1997-98, introduced the scheme of Decentralised Procurement. This scheme is now in operation in three States, namely, Madhya Pradesh, West Bengal and Uttar Pradesh. Efforts are being made to encourage other States to adopt the scheme.

Income Support Scheme for Foodgrains

812. SHRI J. CHITHARANJAN:
SHRI PREM CHAND GUPTA:
SHRI V.V. RAGHAVAN:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government are keen to get rid itself of the business of food procurement as the present policy benefits only four States;

(b) whether it has suggested to the high powered Committee formulating a long term foodgrains policy, that the present system be replaced with an income support scheme which would benefit nearly 2 crore farmers as against 60 lakhs under the present scheme; and

(c) if so, what are the details of the new schemes?